

BYLAWS

OF

A RISING TIDE

THE GREATER KANSAS CITY

HEALTH CARE FOUNDATION

(a Missouri public benefit nonprofit corporation)

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ARTICLE 1. DEFINITIONS

The terms set forth below shall have the following meanings unless otherwise required by the context in which they may be used:

1.1 Act. The term "Act" means the Missouri Nonprofit Corporation, as amended (Missouri Revised Statutes §§ 355.001 et seq.), or successor provisions.

1.2 Articles. The term "Articles" shall mean the Articles of Incorporation of the Corporation filed with and accepted by the Secretary of State of the State of Missouri, and as thereafter amended.

1.3 Board. The term "Board" shall mean the Board of Directors of the Corporation.

1.4 Bylaws. The term "Bylaws" shall mean the bylaws of the Corporation except where reference is specifically made to the bylaws of another corporation, entity, or unit.

1.5 Code. The term "Code" shall mean the Internal Revenue Code of 1986, as amended, the regulations promulgated pursuant thereto, or the corresponding provision of any applicable future United States Internal Revenue Law or regulations.

1.6 Corporation. The term "Corporation" shall mean A Rising Tide – The Greater Kansas City Health Care Foundation, a Missouri non-profit, public benefit corporation.

1.7 Community Health Group. The term "Community Health Group" shall mean Community Health Group, a Missouri non-profit, public benefit corporation and successor by name change to Health Midwest.

1.7 Kansas Service Area. The term "Kansas Service Area" shall mean the Counties of Johnson, Wyandotte, and Allen in the State of Kansas within which the Corporation is authorized to pursue the purposes set forth in its Articles.

1.8 Missouri Service Area. The term "Missouri Service Area" shall mean the City of Kansas City, Missouri, and the Counties of Jackson, Cass, and Lafayette in the State of Missouri within which the Corporation is authorized to pursue the purposes set forth in its Articles.

1.9 Person. The term "Person" shall mean an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a joint venture, a trust, an unincorporated organization or any agency or subdivision thereof.

1.10 State. The term "State" shall mean the State of Missouri.

ARTICLE 2. OFFICES and AGENTS

2.1 Offices. The Corporation may have such corporate offices anywhere within the Missouri Service Area (as defined below) as the Board from time to time may determine or the business of the Corporation may require. The principal office of the Corporation may be fixed and so designated from time to time by the Board, but the location or residence of the Corporation in the State shall be deemed for all purposes to be in the county in which its registered office in the State is maintained.

2.2 Registered Office and Registered Agent. The location of the registered office and the name of the registered agent of the Corporation in the State of Missouri shall be such as determined from time to time by the Board and on file in the appropriate office of the State pursuant to applicable provisions of law. Unless otherwise permitted by law, the address of the registered office of the Corporation and the address of the business office of the registered agent shall be identical.

ARTICLE 3. MEMBER OF THE CORPORATION

3.1 Membership. The Corporation shall have no members.

ARTICLE 4. BOARD OF DIRECTORS

4.1 General Authority. Subject to the limitations imposed by the Act, the Articles and these Bylaws, the business and affairs of the Corporation shall be managed by the Board. The Board shall make appropriate delegations of authority to the officers of the Corporation.

4.2 Expenditure of Foundation Funds. The Board will be vested with the responsibility of expending foundation resources for the purposes set forth in the Articles in the Missouri and Kansas Service Areas for the specific needs identified by the initial and ongoing community needs assessment processes. For an initial period of three (3)

years, and until such time as the community needs assessment process is completed, the board will focus its expenditures on needs created by the transition of Health Midwest facilities to HCA ownership, assistance to the medically indigent and underserved and related needs. The Board is free to expend so much of the net appreciation, realized and unrealized, in the fair market value of its assets over the historic dollar value of its assets as set forth in the Investment Guidelines for Eleemosynary Funds (Section 402.010, R.S.Mo., *et seq.*). Any expenditures in excess of this amount will require the vote of at least that number of directors which equals two-thirds of the directors then in office. This supermajority requirement shall not apply to any expenditures required by the Code (including, without limitation, the minimum distribution requirements of Code Section 4942) or any other distribution required by federal, state, or local law.

4.3 Start-up Board. From its incorporation until every member of the Initial Board is appointed and installed, the affairs of the Corporation shall be managed by a three-person Board. Two members of the Start-up Board will be appointed by the Attorney General and one member will be appointed by Health Midwest. Notwithstanding any other provision of these Bylaws or the Articles, the Start-up Board may only act by unanimous vote and will limit its activities to those necessary to effect the Settlement Agreement (and related undertakings) between the Attorney General and Health Midwest, to ensure the Corporation's compliance with all legal obligations, and to deliver control of the Corporation in good standing to the Initial Board upon their appointment and installation.

4.4 Initial Board - Number of Directors and Residency Requirement. The Initial Board will consist of 25 persons, 20 of whom must be residents of the Missouri Service Area, and 5 of whom must either be residents of the Kansas Service Area or be Kansas taxpayers, Kansas property owners, or Kansas business owners. Two positions will be eliminated from the Board in each of the first three years so that, beginning in the fourth year and continuing thereafter, the Board will consist of 19 persons, 16 of whom must be residents of the Missouri Service Area and 3 of whom must be residents of the Kansas Service Area or be Kansas taxpayers, Kansas property owners, or Kansas business owners. These numbers are exclusive of the President of the Corporation and the Chair (or his or her designee) of the Community Advisory Committee, both of whom shall be *ex officio*, non-voting members of the Board.

4.5 Nomination and Appointment of Initial Board. Health Midwest will nominate 14 persons to serve on the initial board, and the Community Advisory Committee Appointing Authorities (defined below) will nominate 22 persons to serve on the initial board. The Attorney General shall select 8 persons from the Health Midwest nominees and 8 persons from the Appointing Authority nominees to serve as members of the Initial Board. The remaining 9 directors will be appointed by the Attorney General following an outreach program of his design. The Attorney General can reject a nominee only for duplication (*i.e.*, when a nominee has been nominated by two sources, the

Attorney General can reject one nomination but not both) or for cause, in which case the party that nominated the rejected nominee will nominate a replacement nominee. For this purpose, “for cause” shall mean (i) a felony conviction, (ii) the existence of a warrant for a person’s arrest for violations of law other than violations of motor vehicle laws and regulations, (iii) unsatisfied and overdue tax obligations which are not being contested in good faith, and (iv) unsatisfied student or other governmental loan obligations which have not been discharged in bankruptcy. Before making appointments, the Attorney General will interview all nominees and other persons under consideration for appointment and Health Midwest will be permitted to participate in those interviews and offer to the Attorney General its recommendations with respect to the qualifications of the candidates. As described below, those persons nominated by the CAC Appointing Authorities but not appointed to the initial board by the Attorney General will serve on the initial Community Advisory Committee.

4.6 Qualifications of Directors. In making the nominations and appointments described above, and in nominating and electing all subsequent Directors, consideration shall be given to ensuring that the Board collectively possess experience in all of the areas mentioned below, and represent the state's gender, racial, cultural, geographic and ethnic diversity; and each Director shall, prior to his or her election or nomination, possess the following qualifications:

4.6.1. Each Director must be at least eighteen years of age, and meet the residency requirements set forth above;

4.6.2. Each Director must have knowledge, expertise, education, or experience in one or more (and the Board as a whole must possess experience and expertise in each) of the following: provision of health care directly to individuals, asset management and investment strategy, philanthropic administration, delivery of health care services directly to the uninsured or underinsured, improving the quality of or access to health in the communities served by the Corporation, or public health care;

4.6.3. Each Director will be expected to contribute perspective in one or more of the following areas: consumers of health care services for the uninsured and underinsured; access to health care services for the uninsured and underinsured; health promotion and education in underserved communities; health care quality and outcome improvement; health care needs of women, children, the elderly, low income, ethnic and cultural minorities; and health education or general issues of public health;

4.6.4. Each Director must have demonstrated core leadership attributes;

4.6.5. Each Director must have a recognized reputation for integrity and competence;

4.6.6. Each Director must have demonstrated an ability to understand and appreciate the role and responsibility of a public health care philanthropic foundation and the need to balance various constituency requirements;

4.6.7. Each Director must have demonstrated a personal interest in and concern for the public health and welfare and a commitment to accomplishing the Corporation's overall mission, purposes and goals;

4.6.8. Each Director must have demonstrated an ability to devote the time necessary to fulfill Board responsibilities and regularly attend meetings.

4.7 Persons not Eligible to Serve as Directors. Public officials and persons serving on the Community Advisory Committee are not eligible to serve as directors. For purposes of this exclusion, "public official" means any elected or appointed officer or employee, other than those who serve without compensation, of any city, county, or state government or of the federal government. Community Advisory Committee members may be nominated for election to the board but must resign from the Community Advisory Committee if so elected. Any Director who determines to run for election to public office must resign as a Board member upon filing documents declaring his or her candidacy.

4.8 Terms. The Directors of Start-up Board shall serve from their appointment until all 25 members of the Initial Board have been appointed and installed. The directors on the Initial Board will be appointed into three classes to phase into staggered terms. Seven will serve 1-year initial terms, 9 will serve 2-year initial terms, and 9 will serve 3-year initial terms. With respect to appointments made from nominees provided by Health Midwest, 2 of the appointments will serve 1-year initial terms, 3 of the appointments will serve 2-year initial terms, and 3 of the appointments will serve 3-year initial terms. With respect to appointments made from nominees provided by the CAC Appointing Authorities, 2 of the appointments will serve 1-year initial terms, 3 of the appointments will serve 2-year initial terms, and 3 of the appointments will serve 3-year initial terms. With respect to the appointments made by the Attorney General, 3 of the appointments will serve 1-year initial terms, 3 of the appointments will serve 2-year initial terms, and 3 of the appointments will serve 3-year initial terms. The Attorney General will designate the initial terms of all appointments at the time the appointments are made. All subsequent terms will be three years.

4.9 Term Limits. Directors may not serve more than two consecutive three-year terms. Initial terms of less than two full years will not count as a full term for purposes of applying this term limitation.

4.10 Vacancies. Any vacancies occurring on the Board of Directors, after the appointment and installation of the Initial Board is complete, are to be filled by the Board, electing from nominees provided to the Board by the Community Advisory Committee. The Community Advisory Committee shall nominate a pool of nominees equal in number to at least two, and not more than three times the number of vacancies to be filled. Should the Attorney General determine that the then current composition of the Board is not in compliance with the diversity and other qualification requirements of Article VIII below, the Attorney General may direct that the next set of nominations made by the Community Advisory Committee shall be made in slates of not more than three nor less than two directors for each vacancy to be filled. A member of the Board elected to fill a vacancy shall be elected for the unexpired term of such member's predecessor in office and until such member's successor is elected and qualified, unless the member sooner dies, becomes disabled, resigns or is removed. Any member elected by reason of an increase in the number of members of the Board shall hold office until the next election of the class for which such member was chosen and until such member's successor is elected and qualified, unless the member sooner dies, becomes disabled, resigns or is removed. Notwithstanding any other provision in these Bylaws, a vacancy on the Start-up Board is to be filled in the same manner as the members of that Board were originally to be chosen. With respect to any vacancy on the Board occurring by reason of the death, resignation or removal of any director, the Community Advisory Committee shall complete its nomination process no later than the date requested by the Board, which shall be no less than thirty (30) days after written notification of the vacancy has been delivered to the Chair of the Community Advisory Committee.

4.11 Health Midwest Directors to Serve Ex Officio. Any Health Midwest Director that is not appointed to the initial board may participate as an *ex officio*, non-voting member of the initial board until the expiration of the initial one-year terms for the purpose of providing insight and perspective to the initial board. Health Midwest Directors need to notify the Corporation in writing within thirty days of the appointment and installation of the Initial Board of their desire to serve in this capacity.

4.12 Educational Processes. The initial and all subsequent boards will have the affirmative obligation to design and maintain an educational process for all board members and Community Advisory Committee members concerning their responsibilities to the corporation and its purposes, the identified needs of its service area, and the necessity of continually re-assessing those needs.

4.13 Resignations and Removal. Any member of the Board may resign from the Board at any time by giving written notice to the Chairman or, if the resigning member is the Chairman, to the President. Such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The Chairman (or if the resigning

member is the Chairman, then the President) shall provide the remaining members of the Board with immediate notification of the resignation. Any member of Board may be removed from such position at any time, but only for good cause, by vote of two-thirds (2/3) of the other members of the Board then in office. The Attorney General may petition the Circuit Court of Cole County for the removal of any member of the Board and, upon a showing of good cause, shall be entitled to an order removing that Director. Good cause, as used in this sub-section, shall include without limitation any breach of fiduciary duty, dereliction of duty, or conviction of any felony whatsoever.

ARTICLE 5. MEETINGS

5.1 Annual Meetings. An annual meeting of the Board shall be held within 120 days of the end of the close of the fiscal year of the Corporation, on such date as designated by the Board by resolution or by written consent of the members of the Board, for the purposes of electing members of the Board and officers and for the transaction of such other business as may properly come before the meeting. The place of the annual meeting shall be within the Missouri Service Area.

5.2 Regular Meetings. The Board shall hold at least one regular meeting within each quarter of the calendar year. The Board, by resolution adopted by a majority of its members, may prescribe the time and place for the holding of the annual and regular meetings of the Board and may provide that the adoption of such resolution shall constitute notice of such meetings. If the Board does not prescribe the time and place for the holding of the annual or regular meetings, such meetings shall be held at the time and place specified by the President in the notice of each such regular meeting. The place of each regular meeting shall be within the Missouri Service Area.

5.3 Special Meetings. Special meetings of the Board may be called by, or at the direction of, the Chairperson or the President, or shall be called by the President or Secretary upon written request of not less than seven members of the Board, to be held at such time and place as shall be designated in the notice of the meeting. The place of each special meeting shall be within the Missouri Service Area.

5.4 Notice, Waiver. Without reduction of the Corporation's obligation to give public notice of every meeting of the Board or its Committees, notice of the time and place of the annual and any regular or special meeting of the Board shall be delivered in writing, as provided in Section 16.8 of these Bylaws, to each member of the Board and the Community Advisory Committee at least two (2) days prior to such meeting. Any member of the Board may waive notice of any meeting. The attendance of a member of the Board at any meeting shall constitute a waiver of notice of such meeting, except where a member of the Board attends such meeting for the express purpose of objecting to the transaction of any business at the meeting because the meeting is not lawfully called or convened. The purpose or purposes of any annual or regular meeting of the

Board need not be specified in the notice or waiver of notice of such meeting except as required by statute. If the meeting is a special meeting, the purpose or purposes of the meeting shall be specified in the notice or waiver of notice of such meeting.

5.5 Quorum. Except as otherwise provided by these Bylaws, the Articles or the Act, a majority of the members of the Board in office immediately before a meeting begins shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than a majority of the members of the Board are present at such meeting, a majority of the members of the Board present may adjourn the meeting from time to time without further notice. Notwithstanding the foregoing sentence, a quorum of the Start-up Board requires the presence of all three members of that Board.

5.6 Manner of Acting.

5.6.1 Formal Action by Board. The act of a majority of the members of the Board present at a meeting at which a quorum is present shall constitute the act of the Board, unless otherwise required by these Bylaws, the Articles of Incorporation, or the Act. Notwithstanding the foregoing sentence, actions by the Start-up Board require unanimous action by each of its three members.

5.6.2 Informal Action by the Board. No action of the Board shall be valid unless taken at a meeting at which a quorum is present.

5.6.3 Telephonic Meeting. Members of the Board may participate in any meeting of the Board by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting (including members of the public in an open meeting pursuant to Article 14 of these Bylaws) can hear each other, unless otherwise prohibited by statute. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

5.7 Compensation and Immunity of Members of the Board. Members of the Board or any committee with Board delegated powers serve in a voluntary capacity and, as such, shall not receive any compensation for their services as members of the Board or of such committee, but may be reimbursed for reasonable expenses of attendance at meetings of the Board or the applicable committee. It is the intent of the Corporation that the members of the Board be immune from personal liability for any civil damages arising from acts performed in his or her official capacity, except for damages caused by such person's intentional, wanton or willful conduct, or gross negligence, as provided in Revised Missouri Statutes Section 537.117, as it may be amended from time to time.

ARTICLE 6. COMMITTEES

6.1 Standing and Special Committees. The board of directors may create such standing or special committees of two or more directors as it deems desirable and may delegate to it such board powers, duties and responsibilities, not inconsistent with law or these Bylaws, as may be stated in the resolution creating the committee. The creation of a committee and appointment of members to it must be approved by a majority of all the directors in office when the action is taken. All provisions of these Bylaws relating to meetings, notice, waiver of notice, and quorum and voting requirements shall apply to such committees and committee members. The Board shall have the following Standing Committees:

6.1.1 Executive Committee. There shall be an Executive Committee of the Board which shall consist of the Chairperson, the Chairs of the Audit, Investment, and Programs and Grants Committees, and three other at-large members of the Board elected by the Board for terms of one year. The Chairperson shall serve as Chair of the Executive Committee. The Executive Committee shall act on behalf of the Board and shall have all of the powers of the Board between meetings of the Board, except as provided in Section 6.3 below.

6.1.2 Audit Committee. There shall be an Audit Committee of the Board which shall consist of not less than three members of the Board, none of whom may be employed by, or be an officer of, the Corporation. The members of the Audit Committee shall be elected by the Board for terms of one year. The Board shall elect one of the members of the Audit Committee to serve as the Chair of the Audit Committee. No member of the Board shall serve more than three consecutive one-year terms as a member of the Audit Committee. The Audit Committee shall recommend to the Board annually who shall be employed as the independent auditors of the Corporation, shall visit with such auditors, shall receive and review the annual audit and other reports of such auditors and shall perform such other duties as the Board may from time to time direct.

6.1.3 Investment Committee. There shall be an Investment Committee of the Board which shall consist of not less than three members of the Board. The members of the Investment Committee shall be elected by the Board for terms of one year. The Board shall elect one of the members of the Investment Committee to serve as the Chair of the Investment Committee. No member of the Board shall serve more than three consecutive one-year terms as a member of the Investment Committee. The Investment Committee shall propose to the Board, for review and approval, criteria, policies and procedures for the investment and protection of the investment assets of the Corporation, determine permitted investments in accordance with such criteria, policies and procedures and shall perform such other duties as the Board may from time to time direct.

6.1.4 Program/Grants Committee. There shall be a Program/Grants Committee of the Board which shall consist of not less than three members of the Board and such other persons as the Board may determine. The members of the Program/Grants Committee shall be elected by the Board for terms of one year. The Board shall elect one of the members of the Program/Grants Committee who is also a member of the Board to serve as the Chair of the Program/Grants Committee. No member of the Board shall serve more than three consecutive one-year terms as a member of the Program/Grants Committee. The Program/Grants Committee shall recommend to the Board what programs, grants and other expenditures should be made by the Corporation in furtherance of the Corporation's purposes and shall perform such other duties as the Board may from time to time direct.

6.1.5 Nominating Committee. There shall be a Nominating Committee which shall consist of not less than three members of the Board. The members of the Nominating Committee shall be elected by the Board for terms of one year. The Board shall elect one of the members of the Nominating Committee who is also a member of the Board to serve as the Chair of the Nominating Committee. No member of the Board shall serve more than three consecutive one-year terms as a member of the Nominating Committee. The Nominating Committee shall propose nominations to the Board for Corporation Officers. The Nominating Committee may review, but not limit, the nominees for Board vacancies presented by the Community Advisory Committee.

6.2 Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Directors and/or Officers of the Corporation, and the Chairman of the Board shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

6.3 Limitation on Powers of Committees. No committee of the Board shall have the power to: (a) elect or remove members of the Board; (b) fill vacancies occurring in the members of the Board; (c) adopt amendments to the Articles; (d) amend or repeal or adopt new Bylaws; (e) amend or repeal any resolution of the Board; (f) create any other committees of the Board or appoint the members of any such committee; or (g) approve any merger, reorganization, voluntary dissolution or disposition of all or substantially all of the assets of the Corporation. The Board may not delegate any authority to a committee which, if exercised by the Board, would require a supermajority vote of the Board.

6.4 Meetings and Actions of Committees. Meetings and actions of committees of the Board shall be held and governed in accordance with the provisions of Article IV and XIV of these Bylaws concerning meetings and actions of the Board, with such changes in the content of those provisions as are necessary to substitute the committees and their members for the Board and its members. Minutes shall be kept of each meeting of each committee of the Board and shall be filed with the records and minutes of the Board.

ARTICLE 7. COMMUNITY ADVISORY COMMITTEE

7.1 Initial Community Advisory Committee. The Community Advisory Committee shall consist of 24 persons, all of whom shall serve 3-year terms. Terms will not be staggered and no person will serve more than two consecutive terms. The initial appointments to the Community Advisory Committee will be made as provided in this Section except that an Appointing Authority whose nominee was appointed to the initial board must appoint a replacement to maintain the ratios provided below. The initial appointments to the Community Advisory Committee shall be made by the following CAC Appointing Authorities in the following numbers: Mayor of Lexington, Missouri (1), Mayor of Belton, Missouri (1), Mayor of Harrisonville, Missouri (1), Mayor of Kansas City, Missouri (7), Mayor of Independence, Missouri (3), Mayor of Lee's Summit, Missouri (2), the Jackson County (Missouri) Executive (2), the chair of the Johnson County (Kansas) County Commission (3), the Mayor of Iola, Kansas (1), the Chief Executive of the Kansas City, Kansas/Wyandotte County Unified Government (1), and the Missouri Attorney General (2).

7.2 Subsequent Community Advisory Committees. After the expiration of the first 3-year terms, the above ratios will change with the Attorney General having a single appointment and the Mayor of Kansas City, Missouri thereafter having 8 appointments. After the expiration of the second 3-year terms, the Attorney General will not make any further appointments to the Community Advisory Committee (except as provided below in Section 7.8) and the Jackson County, Missouri County Executive will thereafter have 3 appointments.

7.3 Geographic Diversity. All appointments to both the initial and subsequent Community Advisory Committees will be made so that 19 are residents of the Missouri Service Area and 5 are residents of the Kansas Service Area or Kansas taxpayers, Kansas property owners or Kansas business owners.

7.4 Advice and Consent of Legislative Bodies. All appointments made by CAC Appointing Authorities will be subject to the advice and consent of their respective legislative bodies.

7.5 Persons not Eligible to Serve. Public officials and persons serving on the board of directors of the corporation will not be eligible to serve on the Community Advisory Committee.

7.6 Vote. All actions of the Community Advisory Committee will require the vote of not less than 14 of its members. If fewer than 24 members are then in office, the number of necessary votes will decrease by 1 for every 2 vacancies.

7.7 Duties. The role of the Community Advisory Committee will be to nominate persons to fill vacancies existing on the board of directors for election by the board pursuant to the procedure set forth in Article 4 above, and, not less than annually, to review the performance of the corporation in meeting its purposes as well as to provide the board with the Committee's perspective as to future actions and emphasis for the corporation.

7.8 Resignations and Removal. Any member of the Community Advisory Committee may resign from the Community Advisory Committee at any time by giving written notice to the Chairman of the Community Advisory Committee or, if the resigning member is the Chairman, to the President. Such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The Chairman of the Community Advisory Committee (or if the resigning member is the Chairman, then the President) shall provide the remaining members of the Community Advisory Committee with immediate notification of the resignation. Any member of the Community Advisory Committee may be removed from such position at any time, but only for good cause, by vote of two-thirds (2/3) of the other members of the Community Advisory Committee then in office. The Attorney General may petition the Circuit Court of Cole County for the removal of any member of the Community Advisory Committee and, upon a showing of good cause, shall be entitled to an order removing that member. Good cause, as used in this sub-section, shall include without limitation any breach of fiduciary duty, dereliction of duty, material violation of any policy regarding ethics, conflicts of interest or dualities of interest, or conviction of any felony whatsoever.

7.9 Attorney General Enforcement. If any Appointing Authority fails to make a timely appointment to the Community Advisory Committee, the Attorney General shall make an appointment from the community represented by such Appointing Authority. An Appointing Authority will be deemed to have failed to make a timely appointment if the Authority has failed to make an appointment 60 days before the expiration of the term of the CAC member in question. If, at any time following the appointment of the initial Community Advisory Committee, the Attorney General determines that the Committee lacks appropriate diversity or otherwise has become unable to fulfill its function, the Attorney General may petition the Circuit Court of

Jackson County for an order dissolving the sitting Committee and compelling the CAC Appointing Authorities to make appointments to reconstitute the Committee.

ARTICLE 8. DIVERSITY OF NOMINEES AND APPOINTMENTS

All nominees for appointments to the initial board, all appointments to the initial board, all appointments to the Community Advisory Committee, and all nominations made by the Community Advisory Committee shall be made in consideration of ensuring that the board and Community Advisory Committee collectively represent the gender, racial, cultural, geographic, socio-economic, age, professional and ethnic diversity of the Foundation service area. The Appointing Authorities collectively bear the responsibility for the make-up of the Community Advisory Committee in this regard. The Community Advisory Committee, in making nominations for future vacancies on the board, bears the responsibility not only for perpetuating the diversity of the board in all respects set forth above, but also for ensuring that each nominee has demonstrated expertise, education, or experience in the provision of health care, asset management and investment strategies, philanthropic administration, or community health care, and that the board as a whole possesses the necessary skills in asset management, philanthropic administration, and in assessing and improving health care in the Foundation's service area to enable the board to fulfill its responsibilities. If, at any time following the appointment of the initial Board of Directors, the Attorney General determines that the Board lacks appropriate diversity or qualifications, the Attorney General may exercise his enforcement powers set forth in Article IV or Article VII. In the event that the Attorney General fails or refuses to act pursuant to the rights granted to the Attorney General under this Section following petition of not less than seven members of the Board of Directors of the corporation to do so, such seven members shall have the powers reserved to the Attorney General in Article VII above.

ARTICLE 9. COMMUNITY NEEDS ASSESSMENT

As soon as reasonably practicable, the board will commence a community needs assessment process to identify specific health care needs of the Foundation's Missouri and Kansas service area. In completing such needs assessment, the corporation is encouraged, but not required, to cooperate with the [Kansas Foundation]. The board will engage persons experienced in conducting such needs assessments to assist it in this process. For an initial period of three (3) years, and until such time as the community needs assessment process is completed, the board will focus its expenditures on needs created by the transition of Health Midwest facilities to HCA ownership, assistance to the medically indigent and underserved and related needs. The board will periodically reassess health care needs of its service area to guide it in its expenditures.

ARTICLE 10. OFFICERS

10.1 Officers. Prior to the installation of the Initial Board, the officers of the Corporation shall be a Chairperson and a Secretary, both of whom must be members of the Start-up Board and both offices may be held by the same person. From and after the installation of the Initial Board, the officers of the Corporation shall be a Chairperson, President, Secretary and Treasurer. The Chairperson must be a member of the Board, and the Secretary and Treasurer may be members of the Board. One person may hold two or more offices, if permitted by the Act. The President may not be a member of the Board, but shall serve as an ex officio, non-voting member of the Board. Some of the duties of certain offices are prescribed in the following sections. When the incumbent of an office other than the President is unable or unwilling to perform the duties thereof or when there is no incumbent of an office (both such situations referred to hereafter as the "absence" of the officer), the duties of the office shall, unless otherwise provided by the Board, be performed by the President or a person designated by the President. The Board may elect or authorize the appointment of, and may authorize the President or another officer to appoint, such other officers as the business of the Corporation may require, none of whom may be members of the Board, and each of whom shall have the title, hold office for such period, have such authority and perform such duties as are provided in these By-Laws or as the Board may from time to time authorize or determine.

10.2 Appointment and Tenure. The initial officers, other than the President, will be designated on an interim basis in their appointments to the Board. The Board shall promptly thereafter constitute a Nominating Committee to propose nominees for those offices to be elected and serve until the next annual meeting. The officers so elected may be, but need not be, the same as those appointed on an interim basis by the Attorney General. The elected officers of the Corporation shall thereafter be elected by the Board at each subsequent regular annual meeting of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon as

convenient thereafter. Each officer shall hold office until the officer's successor shall have been duly elected and qualified, or until the officer's earlier death, disability, resignation or removal; provided however that the Chairperson shall serve a term of no more than one (1) year and that no person may serve as the Chairperson for more than two such terms.

10.3 Resignations and Removal. Any officer may resign at any time by giving written notice to the Board. Such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any officer may be removed from such office at any time, with or without cause, by the Board, without prejudice to the contract rights, if any, of the person so removed. Election of an officer shall not in itself create any contract rights.

10.4 Delegation of Authority to Hire, Discharge and Designate Duties. The board from time to time may delegate to the chairman of the board, the president, or other officer or executive employee of the corporation, authority to hire, discharge and fix and modify the duties, salary, or other compensation of employees of the corporation under their jurisdiction, and the board may delegate to such officer or executive employee similar authority with respect to obtaining and retaining for the corporation the services of attorneys, accountants and other experts.

10.5 Duties of the Officers of the Corporation.

10.5.1 Chairperson. The Chairperson shall preside over all meetings of the Board. The Chairperson shall have no authority to act outside of the meetings of the Board. The Chairperson shall exercise such other powers and perform such duties as are set forth from time to time by the Board, except as otherwise provided by these Bylaws, the Articles, and the laws of the State.

10.5.2 President. The President shall, subject to the direction and supervision of the Board, (1) be the chief executive officer of the Corporation and have general and active control of its affairs and business and general supervision of its officers, agents and employees, (2) be responsible for directing and administering the activities, departments, and programs of the Corporation, (3) see that all orders and resolutions of the Board are carried into effect, and (4) perform all other duties incident to the office of President and as from time to time may be assigned to the President by the Board. The president may execute all bonds, notes, debentures, mortgages and other contracts requiring a seal, under the seal of the corporation, and may cause the seal to be affixed thereto, and all other instruments for and in the name of the corporation. Unless the board otherwise provides, the president, or any person designated in writing by the president may: (i) attend meetings of other corporations to represent the corporation thereat and to vote or take action with respect to the shares of any such corporation owned by this corporation in such manner as the president or the president's designee may

determine; and (ii) execute and deliver waivers of notice and proxies for and in the name of the corporation with respect to any such shares owned by this corporation. The president shall, unless the board otherwise provides, be ex officio a member of all standing committees. The president shall have such other or further duties and authority as may be prescribed elsewhere in these by-laws or from time to time by the board of directors.

10.5.3 Secretary. The Secretary shall (1) attend and record the minutes of all meetings of the Board and provide for the retention of said minutes in the official minute book of the Corporation, (2) give or cause to be given notice of all special meetings of the Board, (3) be the custodian of the corporate records and seal, and (4) perform all other duties incident to the office of Secretary and as from time to time may be assigned to the Secretary by the Board and/or the Executive Director. Subject to the approval of the Board, the Secretary may delegate any duties to one or more assistants or others as may be deemed appropriate.

10.5.4 Treasurer. The Treasurer shall (1) be the principal financial officer of the Corporation, (2) keep an account of the financial transactions and condition of the Corporation, (3) be responsible for and have the custody of all of the funds, securities, evidences of indebtedness and other personal property of the Corporation, (4) provide a full and accurate accounting of all receipts and disbursements and books belonging to the Corporation, (5) deposit all monies and valuable assets in the name and credit of the Corporation into such depositories as may be designated by the Board, (6) render to the Board, whenever the Board shall require it, as well as at all regular meetings, an accounting of the financial transactions and condition of the Corporation, and (7) perform all other duties incident to the office of Treasurer and as from time to time may be assigned to the Treasurer by the Board and/or the Executive Director. Subject to the approval of the Board, the Treasurer may delegate any duties to one or more assistants or others as may be deemed appropriate.

10.6 Compensation. No officer who is also a voting member of the Board shall receive any compensation for services as an officer, but may be reimbursed for their reasonable and necessary expenses associated with their services as an officer. The compensation of other officers shall be as fixed from time to time by the Board. No payment of compensation (or payment or reimbursement of expenses) shall be made in any manner so as to result in the imposition of any liability under Section 4958 of the Code.

10.7 Surety Bonds. The Board may require any officer or agent of the Corporation to execute to the Corporation a bond in such sums and with such sureties as shall be satisfactory to the Board, conditioned upon the faithful performance of such person's duties and for the restoration to the Corporation of all books, papers, vouchers,

money and other property of whatever kind in such person's possession or under such person's control belonging to the Corporation.

10.8 Duties of Officers May be Delegated. If any officer of the corporation be absent or unable to act, or for any other reason that the board may deem sufficient, the board may delegate, for the time being, some or all of the functions, duties, powers and responsibilities of any officer to any other officer, or to any other agent or employee of the corporation or other responsible person.

ARTICLE 11. CONFLICTS OF INTEREST

The Conflicts of Interest policy of the Corporation is attached to these Bylaws as **Exhibit A.**

A conflict of interest transaction is a transaction in which a member of the Board of Directors has a material interest. A conflict of interest transaction is not voidable if the transaction is not unfair to the Corporation at the time it is entered into or is approved:

(a) In advance by the Board of Directors or a committee of the board if:

(1) The material facts of the transaction and the director's interest are disclosed or known to the board or committee of the board; and

(2) The directors approving the transaction in good faith reasonably believe that the transaction is not unfair to the corporation; or

(b) Before or after it is consummated by obtaining the approval of the:

(1) Attorney general; or

(2) The circuit court in an action in which the attorney general is joined as a party.

For the purposes of the above paragraph (a), a conflict of interest transaction is approved if it receives the affirmative vote of a majority of the directors on the board, or on the committee, who have no direct or indirect material interest in the transaction, but a transaction may not be approved by a single director. If a majority of the directors on the board who have no direct or indirect material interest in the transaction vote to approve the transaction, a quorum is deemed present for the purpose of the vote and action taken under this paragraph. While it is desirable that a director with a material interest not be present for the discussion or vote regarding the transaction, the presence of, or a vote case by, a director with a material interest in the transaction does not affect the validity of any vote or action taken under this paragraph if the transaction is otherwise approved as provided in this paragraph.

If the transaction is approved under paragraph (a), the minutes of the meeting shall reflect the names of the persons who disclosed material interests; the nature of the material interests and whether the board determined there was a conflict; the names of the persons present for discussion and votes relating to the transactions; the content of the discussions, including any alternatives to the proposed transaction; and a roll call of the vote.

ARTICLE 12. INDEMNIFICATION

12.1 Indemnity. The Corporation shall indemnify and hold harmless any member of the Board or officer of the Corporation, or former member of the Board or officer of the Corporation, who was or is a party to or is threatened to be made a party to, any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that such Person is or was a member of the Board or officer of the Corporation, or is or was serving the Corporation with a contractual commitment of indemnification, or is or was serving at the request of the Corporation as a member, manager, director, officer, or agent of another Person, against expenses (including reasonable attorneys' fees), losses, costs, damages, judgments, fines, and amounts paid in settlement actually and reasonably incurred by that Person in connection with such action, suit, or proceeding if the Person acted in good faith and in a manner the Person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his/her/its conduct unlawful; provided, however, the Corporation will not be required to indemnify any Person in respect of any claim, issue, or matter as to which such Person shall have been adjudged to be liable for negligence or misconduct in the performance of his/her/its duty to the Corporation unless and only to the extent that the court in which the action or suit was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, the Person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Person did not act in good faith and in a manner which the Person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his/her/its conduct was unlawful.

12.2 Authorization by the Board. Any indemnification hereunder shall be made by the Corporation upon the occurrence of either one of the following: (a) authorization in the specific case upon a determination that indemnification of the Person is proper under the circumstances because the Person has met the applicable standard of conduct set forth in this Article 12; or (b) issuance of a final court judgment or order requiring indemnification or stating that it would be lawful in the specific case. The determination described in clause (a) of this Section 12.2 shall be made (i) by the Board

by a majority vote of the members of the Board who were not parties to such action, suit, or proceeding, or (ii) if a quorum is not obtainable, or even if obtainable, and a majority of disinterested members of the Board so directs, by independent legal counsel in a written opinion.

12.3 Cooperation of Indemnitee. Any Person seeking indemnification pursuant to this Article 8 shall promptly notify the Corporation of any action, suit, or proceeding for which indemnification is sought and shall in all ways cooperate fully with the Corporation and its insurer, if any, in their efforts to determine whether or not indemnification is proper in the circumstances, given the applicable standard of conduct set forth in this Article 12. Any Person seeking indemnification pursuant to this Article 12 other than with respect to (a) a criminal action, suit, or proceeding, or (b) an action, suit, or proceeding by or in the right of the Corporation, shall (i) allow the Corporation and/or its insurer the right to assume direction and control of the defense thereof, if they elect to do so, including the right to select or approve defense counsel, (ii) allow the Corporation and/or its insurer the right to settle such actions, suits, or proceedings at the sole discretion of the Corporation and/or its insurer, and (iii) cooperate fully with the Corporation and its insurer in defending against, and settling such actions, suits, or proceedings.

12.4 Advance of Expenses. Expenses incurred in defending a civil or criminal action, suit, or proceeding brought other than by the Corporation shall be paid by the Corporation in advance until the earlier to occur of (a) the final disposition of the action, suit, or proceeding in the specific case, or (b) a determination by the Board that indemnification is not proper under the circumstances because the applicable standard of conduct set forth in this Article 8 has not been met. Expenses incurred in defending a civil or criminal action, suit, or proceeding brought by the Corporation may be paid by the Corporation in advance of the final disposition of the action, suit, or proceeding, as authorized by the Board in its sole discretion in the specific case. Any advance of expenses shall not commence until receipt by the Board of an undertaking by or on behalf of the individual seeking such advance to repay any advanced amount unless it shall ultimately be determined that he/she/it is entitled to be indemnified by the Corporation as authorized in this Article 8.

12.5 Non-Exclusivity. The indemnification provided by this Article 8 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under Missouri Revised Statute Sections 537.117, 355.471. or 355.476., these Bylaws or any agreement, or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office or position, and shall continue as to a Person who has ceased to be a member of the Board or officer of the Corporation and shall inure to the benefit of the heirs, executors, and administrators of such Person.

12.6 Insurance. The Corporation may purchase and maintain insurance on behalf of any Person who is or was a member of the Board, officer, employee, or agent of the Corporation, or is or was serving the Corporation with a contractual commitment of indemnification, or is or was serving at the request of the Corporation as a member, manager, director, officer, employee, or agent of another Person against any liability asserted against that Person and incurred by him/her/it in any such capacity, or arising out of his/her/its status as such, whether or not the Corporation would have the power to indemnify the Person against such liability under the provisions of the Act. The acquisition of insurance for any such Person under this Section 8.6 shall not give rise to or increase, as the case may be, the obligation of the Corporation to indemnify any Person.

12.7 Additional Indemnification. The Corporation may provide further indemnity, in addition to the indemnity provided by this Article 8 to any Person who is or was member of the Board or officer of the Corporation, or is or was serving the Corporation with a contractual commitment of indemnification, or is or was serving at the request of the Corporation as a member, manager, director, officer, or agent of another Person, provided that no such indemnity shall indemnify any Person from or on account of such Person's conduct which was finally adjudged to have been knowingly fraudulent, deliberately dishonest, or willful misconduct.

12.8 Set-off. The Corporation's indemnity of any Person who is or was a member of the Board or officer of the Corporation, or is or was serving the Corporation with a contractual commitment of indemnification, or is or was serving at the request of the Corporation as a member, manager, director, officer, or agent of another Person, shall be reduced by any amounts such Person may collect as indemnification (a) under any policy of insurance purchased and maintained in his/her/its behalf by the Corporation, or (b) from another Person, or from insurance purchased by any of them.

12.9 Limitation. Nothing contained in this Article 12, or elsewhere in these Bylaws, will operate to indemnify a member of the Board or officer of the Corporation or any other Person if such indemnification is for any reason contrary to law.

ARTICLE 13. GRANTS ADMINISTRATION

13.1 Purpose of Grants. The Corporation shall have the power to make grants and contributions and to render other financial assistance to achieve the purpose set forth in the Articles.

13.2 Exclusive Power Vested in the Board. The Board shall have exclusive control over all grants, contributions and other financial assistance given by the Corporation. The Board shall review all requests for funds and shall require that such requests specify the use to which the funds will be put. If the Board approves a request for funds, the Board shall authorize payment of such funds to the approved grantee.

13.3 Refusal; Withdrawal. The Board, in its absolute discretion, shall have the right to refuse to make any grants or contributions, or to render other financial assistance, for any or all purposes for which the funds are requested. In addition, the Board, in its absolute discretion, shall have the right to withdraw its approval of any grant at any time and use the funds for other purposes within the scope of purposes expressed in the Articles.

13.4 Accounting Required. The Board shall require that grantees furnish a periodic accounting to show that the funds granted by the Corporation were expended for the purposes that were approved by the Board.

13.5 Gifts. The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for and consistent with the general purposes, or for and consistent with any specific purpose, of the Corporation. The Corporation shall retain complete control and discretion over the use of all contributions, gifts, bequests and devises it receives. Contributions received by the Corporation from solicitations for specific grants shall be regarded as for the use of the Corporation and not for any particular organization or individual mentioned in the solicitation.

ARTICLE 14. PUBLIC ACCESS TO BOOKS AND RECORDS

It is the policy of the Corporation to subject itself to the provisions of Mo. Rev. Stat. Chapter 610, as amended, the regulations promulgated pursuant thereto, or the corresponding provision of any applicable future law or regulations related to the same subject matter (collectively, "Chapter 610") as though the Corporation were a public governmental body (as that term is defined in Chapter 610) insofar as they can be made applicable and are not otherwise inconsistent with the Corporation's Articles or these By-Laws; provided that no action of the Corporation can be invalidated for having failed to abide by the provisions of Chapter 610; provided further that neither the corporation nor any of its directors, officers, employees or agents shall be liable for any monetary damages or civil fines or other penalties for violation of Chapter 610; and provided

further that, in addition to those matters listed in Chapter 610, the corporation is authorized to close meetings, records and votes to the extent that they relate to (a) investment decisions or investments (including the purchase or sale of any properties or securities) made by the corporation, (b) the processes of the Board and Community Advisory Committee in identifying qualified individuals to be nominated to fill board vacancies and staff positions, and (c) the deliberative process relating to the corporation's grant award activities. The Attorney General of the State of Missouri will have the exclusive authority to enforce this provision.

ARTICLE 15. MISCELLANEOUS

15.1 Contracts. To the extent of its authority, the Board may authorize any officer or agent of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

15.2 Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer and countersigned by the Secretary.

15.3 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in accounts maintained with such financial institutions, trust companies, or other depositaries as the Board may from time to time determine.

15.4 Books and Records. The Corporation shall keep correct and complete books and records of account and the minutes of the proceedings of the Board; records shall be open to inspection by members of the Board at any reasonable time and the right to make such inspection shall include the right to make extracts.

15.5 Annual Financial Report. The Treasurer shall cause an annual financial report, certified by independent public accountants, to be submitted to the Board as soon as possible after the close of each fiscal year of the Corporation containing such information as shall be specified by the Board.

15.6 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

15.7 Seal. The Board may provide a corporate seal for use by the Corporation.

15.8 Notice.

15.8.1 Effective Date. Any notice required or permitted to be given pursuant to the provisions of the applicable laws of the State, the Articles or these Bylaws, shall be effective as of the date personally delivered; if sent via facsimile transmission, on the date of transmission if confirmation is received; or, if sent by mail, on the date deposited with the United States Postal Service prepaid and addressed to the intended receiver at his or her last known address as shown in the records of the Corporation.

15.8.2 Waiver of Notice. Whenever any notice is required to be given pursuant to the provisions of the applicable laws of the State, the Articles or these Bylaws, a waiver thereof in writing signed by the persons entitled to such notice whether before or after the time stated therein shall be deemed equivalent to the giving of such notice.

15.9 Loans to Officers and Board Members Prohibited. No loans shall be made by the Corporation to members of the Board or officers of the Corporation.

15.10 Revocation of Authorizations. No authorization, assignment, referral or delegation of authority by the Board to any committee, officer, or agent shall preclude the Board from exercising the authority required to meet its responsibility for the conduct of the Corporation. The Board shall retain the right to rescind any such authorization, assignment, referral, or delegation.

15.11 Policies. The Board may adopt, amend, or repeal policies (not inconsistent with these Bylaws) for the management of the internal affairs of the Corporation and the governance of its officers, agents, employees, and committees.

15.12 Vote by Presiding Officer. The person acting as presiding officer at any meeting held pursuant to these Bylaws shall, if a voting member, be entitled to vote on the same basis as if not acting as presiding officer.

15.13 Gender and Number. Whenever the context requires, the gender of all words used herein shall include the masculine, feminine, and neuter, and the number of all words shall include the singular and plural thereof.

15.14 Articles and Other Headings. The Articles and other headings contained in these Bylaws are for reference purposes only and shall not affect the meaning or interpretation of these Bylaws.

ARTICLE 16. AMENDMENTS

16.1 Proposed Amendments - Notice. Proposed amendments to these Bylaws must be submitted in writing to the members of the Board no less than thirty (30) days in

advance of the meeting of the Board at which they will be considered for adoption. The vote of a majority of the members of the Board then in office shall be required to adopt an amendment to these Bylaws.

16.2 Attorney General Approval; Supermajority. Until March 31, 2006, no such amendment to the Articles or Bylaws of the Corporation can become effective without the written consent of the Attorney General of the State of Missouri. Thereafter, the Articles and Bylaws may only be amended by a vote of at least two-thirds of the directors then in office. Notwithstanding the foregoing, (i) no amendment to the Articles or Bylaws which alters or affects or relates to the applicability of the Sunshine Law or the composition or function of the Community Advisory Committee can be effective without the approval of the Attorney General, and (ii) no provision of the Articles or Bylaws requiring a super majority vote for any action may be adopted or amended without the vote of at least that number of directors that would be required to take the action referred to in the provision in question. Notwithstanding anything in this paragraph to the contrary, at any time a majority of the directors then in office may amend these bylaws without the consent of the Attorney General for the sole purpose of changing the name of the Corporation.

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